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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER

SHERR, CRISTINA O

ART UNIT PAPER NUMBER

3621

DATE MAILED: 10/08/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/008,388

Applicant(s)

KEHRLI ET AL.

Examiner

Cristina Owen Sherr

Art Unit

3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 07 December 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. This communication is in response to the application filed December 7, 2001.

Claims 1-25 have been examined in this case.

Information Disclosure Statement

2. The information disclosure statement (IDS) submitted on December 7, 2001 is in compliance with the provisions of 37 CFR 1.97. Accordingly, the examiner is considering the information disclosure statement.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gould et al (US 5,966,700A) in view of Cwenar (US 5,893,079A).

5. Regarding claim 1 –

6. Gould teaches a method to facilitate analysis of a commercial mortgage backed security portfolio associated with a plurality of mortgage loans, comprising: determining base information associated with the portfolio; determining information associated with an additional mortgage loan to be added to the portfolio, including at least one desired profitability value for the additional mortgage loan (e.g. col 2 ln 15-50).

7. Gould does not disclose, but Cwenar does, transmitting to a user terminal at least one loan spread value associated with the additional mortgage loan via a communication network (e.g. col 2 ln 10 – col 3 ln 35).

8. Regarding claim 2 –

Cwenar discloses the method of claim 1, wherein the user terminal comprises a personal computer and the communication network comprises the Internet (e.g. col 2 ln 10-25).

9. Regarding claims 3 – 6-

Gould discloses the method of claim 2, wherein said transmitting is adapted to display a matrix of loan spread values associated with at least one of: (i) a plurality of property types, (ii) a plurality of debt service coverage ratios, (iii) a plurality of loan to values, and (iv) a plurality of loan term periods; wherein said determination of base information comprises at least one of (i) retrieving pre-stored base information, and (ii) receiving the base information from an associated system; wherein the base information includes at least one of: (i) balance information, (ii) loan rate information, (iii) loan term information, (iv) remaining term information, (v) amortization term information, (vi) servicing fee information, (vii) payment basis information, (viii) payment basis servicing fee information, and (ix) calculation of interest reserve 6 information; wherein the information associated with the additional mortgage loan includes at least one of: (i) treasury information, (ii) swap information, (iii) credit rating category spread information, (iv) credit rating category size information, (v) price cap information, (vi) coupon

information, (vii) yield information, (viii) total flat bond proceed information, (ix) collateral balance information, and (x) deal duration information (e.g. col 2 ln 25-45).

10. Regarding claims 7 – 11 -

Gould discloses calculating the loan spread associated with the additional mortgage loan in accordance with a contribution of the additional mortgage loan to the portfolio; wherein the portfolio is associated with a plurality of credit rating categories, each credit rating category being associated with a current category size, and wherein said calculating includes: determining, for the additional mortgage loan, a category size for each credit rating category; wherein the determination of category sizes for the additional mortgage loan is based on at least one of., (1) a property type, (ii) a risk value, (iii) debt service coverage ratio information, and (iv) loan to value information; adding the category size for the additional mortgage loan to the current category size to determine a combined category size for each credit rating category; determining an original profitability of the portfolio; calculating a combined profitability of the portfolio and the additional mortgage loan based on the combined category sizes; and subtracting the original profitability from the combined profitability to determine a profitability of the additional mortgage loan (e.g. col 6 ln 10-45).

11. Regarding claims 12 – 18

Gould discloses the method wherein said calculation of the loan spread is an iterative process; wherein the iterative process includes: determining a trial loan spread for the additional mortgage loan; computing a resulting profitability based on the trial spread; and adjusting the trial loan spread, wherein said computing and adjusting are repeated

until the resulting profitability is within a predetermined range of the desired profitability; wherein said adjusting is based on a duration of the additional mortgage loan; wherein said adjusting comprises: determining an original duration of the portfolio; calculating a combined duration of the portfolio and the additional mortgage loan; and subtracting the original duration from the combined duration to determine the duration of the additional mortgage loan; wherein the method is performed for a plurality of desired profitability values to determine a plurality of loan spread values; wherein said calculating is performed via a substantially real-time pricing application; and wherein said calculating is further performed utilizing a function library adapted to generate loan and/or commercial mortgage backed securities cash flows (e.g. col 2 ln 15-50).

12. It would be obvious to a practitioner of ordinary skill in the art to combine the teaching of Gould and Cwenar in order to obtain a more user friendly and efficient method to perform portfolio analysis.

13. Claim 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Gould et al (US 5,966,700A) in view of Cwenar (US 5,893,079A).

14. Regarding claim 19 –

15. Gould discloses a computer-implemented method to facilitate analysis of a commercial mortgage backed security portfolio associated with a plurality of mortgage loans and a plurality of credit rating categories, each credit rating category being associated with a current category size, comprising: retrieving base information associated with the portfolio; receiving information associated with an additional mortgage loan to be added to the portfolio, including a desired profitability of the

additional mortgage loan; determining, for the additional mortgage loan, a category size for each rating category based on at least one of: (i) a property type, (ii) a risk value, (iii) debt service coverage ratio information, and (iv) loan to value information; adding the category size for the additional mortgage loan to the current category size to determine a combined category size for each rating category; determining an original profitability of the portfolio; calculating a combined profitability of the portfolio and the additional mortgage loan based on the combined category sizes; subtracting the original profitability from the combined profitability to determine a profitability of the additional mortgage loan; wherein the calculation of the loan spread is an iterative process, comprising: determining a trial loan spread for the additional mortgage loan, computing a resulting profitability based on the trial spread, and adjusting the trial loan spread based on a duration of the additional mortgage loan, wherein said computing and adjusting are repeated until the resulting profitability is within a predetermined range of the desired 28 profitability (e.g. col 2 ln 15-50).

16. Gould does not disclose but Cwenar does, transmitting to a user terminal via a Web site a calculated loan spread for the additional mortgage loan in accordance with a contribution of the additional mortgage loan to the portfolio (e.g. col 2 ln 10 – col 3 ln 35).

17. It would be obvious to a practitioner of ordinary skill in the art to combine the teaching of Gould and Cwenar in order to obtain a more user friendly and efficient method to perform portfolio analysis.

18. Claims 20-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gould et al (US 5,966,700A) in view of Cwenar (US 5,893,079A).

19. Regarding claim 20 –

Gould discloses an apparatus adapted to facilitate analysis of a commercial mortgage backed security portfolio associated with a plurality of mortgage loans, comprising: a processor; and a storage device in communication with said processor and storing instructions adapted to be executed by said processor to: determine base information associated with the portfolio, determine information associated with an additional mortgage loan to be added to the portfolio, including at least one desired profitability value for the additional mortgage loan (e.g. col 2 ln 15-50).

20. Gould does not disclose but Cwenar does transmitting to a user terminal at least one loan spread value associated with the additional mortgage loan via a communication network (e.g. col 2 ln 10 – col 3 ln 35).

22. Regarding claim 21 –

Cwenar discloses the apparatus wherein said storage device further stores at least one of: (1) a portfolio database, (ii) a market information database, and (iii) a contributory bond sizes database (e.g. col 2 ln 10-25).

23. Regarding claim 22 –

Cwenar discloses a communication device coupled to said processor and adapted to communicate with at least one of: (i) a user terminal, and (ii) a real time pricing server (e.g. col 3 ln 10-20).

24. It would be obvious to a practitioner of ordinary skill in the art to combine the teaching of Gould and Cwenar in order to obtain a more user friendly and efficient method to perform portfolio analysis.

25. Claim 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Gould et al (US 5,966,700A) in view of Cwenar (US 5,893,079A).

26. Gould discloses a medium storing instructions adapted to be executed by a processor to perform a method of facilitating analysis of a commercial mortgage backed security portfolio associated with a plurality of mortgage loans, said method comprising: determining base information associated with the portfolio; determining information associated with an additional mortgage loan to be added to the portfolio, including at least one desired profitability value for the additional mortgage loan (e.g. col 2 ln 15-50).

27. Gould does not disclose but Cwenar does transmitting to a user terminal at least one loan spread value associated with the additional mortgage loan via a communication network (e.g. col 2 ln 10 – col 3 ln 35).

28. It would be obvious to a practitioner of ordinary skill in the art to combine the teaching of Gould and Cwenar in order to obtain a more user friendly and efficient method to perform portfolio analysis.

29. Claims 24-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gould et al (US 5,966,700A) in view of Cwenar (US 5,893,079A).

30. Gould discloses a method to facilitate analysis of a commercial mortgage backed security portfolio associated with a plurality of mortgage loans, comprising: determining base information associated with the portfolio; determining information associated with

an additional mortgage loan to be added to the portfolio, including a desired loan spread; and transmitting to a user terminal a profitability value associated with the additional mortgage loan via a communication network (e.g. col 2 ln 15-50).

31. . Gould does not disclose but Cwenar does transmitting to a user terminal a profitability value associated with the additional mortgage loan via a communication network (e.g. col 2 ln 10 – col 3 ln 35).

32. Regarding claim 25 –

Gould discloses the method of claim 24, further comprising: calculating the profitability of the additional mortgage loan in accordance with a contribution of the additional mortgage loan to the portfolio (e.g. col 2 ln 15-50).

33. It would be obvious to a practitioner of ordinary skill in the art to combine the teaching of Gould and Cwenar in order to obtain a more user friendly and efficient method to perform portfolio analysis.

34. Examiner's note: Examiner has cited particular columns and line numbers in the references as applied to the claims above for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may be applied as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion

35. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

36. Wallman (US 6,360,210 B1) discloses a method and system for enabling smaller investors to manage risk in a self-managed portfolio of assets/liabilities.

37. Acosta et al (US 6,643,625 B1) discloses a system and method for auditing loan portfolios and loan servicing portfolios.

38. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Cristina Owen Sherr whose telephone number is 703-305-0625. The examiner can normally be reached on 8:30-5:00 Monday through Friday.

39. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 703-305-9768. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

40. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



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